

Name: _____

County: _____

Date: _____

**MANUFACTURED HOMES AND PARKS
SELF-STUDY TRAINING SESSION**

REVIEW QUESTIONS

Forward

1. Prior to _____, it was illegal to place a mobilehome on a permanent foundation, and mobilehomes were treated as _____ for tax purposes.
2. After legislation enacted in 1979 and 1980, most existing mobilehomes continued to be taxed basically _____. However, mobilehomes purchased new on or after _____ and occupied as residences are treated very much like _____ with respect to property tax liability.
3. Today's mobilehomes are called _____.
4. It is estimated that _____ of manufactured homes never leave the spot where they are first placed.

Chapter 1

5. List what the two major taxes are on manufactured homes:
 1. _____
 2. _____

6. What governmental agency administers the following taxes?
Sales and Use Tax _____
Property Tax _____
Vehicle License Fee _____
7. New manufactured homes sold on or after July 1, 1980 are subject to property tax as _____ or _____

8. Which of the following statements is always correct when a used manufactured home is sold:
- ☐ It is subject to property tax as personal property.
 - ☐ It is subject to property tax as real property.
 - ☐ It is subject to VLF.
 - ☐ It is subject to the method of taxation that applied to the home before the sale.

Chapter 2

9. List the categories of manufactured homes or mobilehomes that are not subject to The Manufactured Home Property Tax Law?
1. _____
 2. _____
 3. _____
 4. _____

10. Match the following:

_____ Manufactured Home
_____ Mobilehome
_____ Commercial Coach
_____ Factory Built Housing
_____ Recreational Vehicle
_____ Park Trailer
_____ Accessories

1. An individual dwelling unit or component assembled off site.
2. A trailer designed for human habitation and contains 400 sq. ft. or less of gross floor area.
3. Any awning, portable, demountable, or permanent cabana, ramada, storage, etc.
4. A structure transportable in one or more sections which in the traveling mode is 8 or more feet wide, 40 or more feet long, or when erected on site, more than 320 sq. ft.
5. It is not designed and equipped as a residential dwelling unit.
6. A structure that meets the requirements of Section 18007.
7. A motorhome, travel trailer, truck camper, or camping trailer.

11. List why the classification of a manufactured home as real property or personal property is important.

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

12. Which of the following statements is not correct concerning the taxation of manufactured homes?
- ☐ Assessments are entered on the secured roll.
 - ☐ Taxes are paid in two installments.
 - ☐ They are not subject to supplemental assessments.
 - ☐ They have base year values and are subject to factoring.
13. Neither the State of California nor any of its counties have the power to tax property located on United States Government enclaves acquired by the United States prior to September 19, 1936.
- ☐ True
 - ☐ False
14. A manufactured home that is Indian-owned and is removed from the reservation remains exempt from taxation.
- ☐ True
 - ☐ False
15. The Soldiers' and Sailors' Civil Relief Act of 1940 does not exempt a manufactured home (not on a permanent foundation) owned by an individual stationed in California on active duty. It establishes tax situs.
- ☐ True
 - ☐ False
16. The lessee of _____ owned by a bank or financial corporation is conclusively presumed to be the owner of that property for purposes of property taxation.
17. If a manufactured home owned by a leasing corporation is classified as personal property (not placed on a permanent foundation) and leased to a person or taxable entity, the assessor must determine whether the lessee is

acquiring an _____ in the manufactured home.

18. Manufactured homes owned by insurance companies and classified as personal property are exempt from property taxation.

☐ True
☐ False

19. Sections _____ of the Water Code provide that ad valorem taxes may not be levied for debt service of a water district, or any improvement district therein upon manufactured homes that occupy a rental space in a park.

20. Under provisions of section 75.12, a manufactured home may qualify for a builders exclusion.

☐ True
☐ False

21. If a manufactured home is classified as _____ and held for sale or lease in the ordinary course of business, it is _____ from property taxation as _____.

22. Complete the following statement. The business inventory exemption is not applicable if the manufactured home:

1. _____

2. _____

3. _____

23. The homeowners exemption is applied to qualified manufactured homes assessed for property taxation purposes, and to _____

and _____ for manufactured homes subject to VLF.

24. A person who owns a manufactured home subject to property tax on rented land is eligible for either the _____ or _____ but not both.
25. The first _____ or _____ of a manufactured home's full value may be exempted from property taxation if the home is owned by a blind or disabled veteran, or the veteran's unmarried surviving spouse, with the exempt amount depending on the degree of disability and annual income of the veteran.
26. Under the Property Tax Assistance Program relief may be claimed in addition to the _____ and the _____ Assistance from this program is available to _____ and _____ of manufactured homes.
27. The Property Tax Postponement Program for _____ and _____ or _____ persons allows eligible homeowners to defer payment of all or a portion of the property taxes on their residences.

28. Using the same format as the chart on page 15, fill in the missing information (try this closed book).

Description of Manufactured Home	Homeowners' Exemption	Property Tax Assistance	Property Tax Postponement	Disabled Veterans' Exemption
Subject to property tax on owned land not on permanent foundation				
Subject to property tax on rented land				
VLF on rented land				
Subject to property tax on owned land on a permanent foundation				
VLF on owned land				

29. Section 69 provides disaster relief for manufactured homes that have been damaged or destroyed by a Governor-declared disaster. The damage must be _____ which has been determined to be more than _____ of the full cash value immediately prior to the disaster.
30. A damaged manufactured home can be replaced with _____ and qualify for relief under section 69 if the replacement property meets the comparability test of _____, _____ and _____ and does not exceed the _____ value limitation.

31. List the procedures that shall be used by the assessor in determining the appropriate base year value of comparable replacement property.

1. _____

2. _____

3. _____

32. Complete the following statement. An owner of real property may qualify for section 69.3 property tax relief provisions if the replacement property does not exceed one of the following:

1. _____

2. _____

3. _____

33. Under section 170, the disaster relief provisions are available to all _____
_____ subject to property taxation
regardless of whether they are classified as _____ or

34. Section 172 and 172.1 does not restrict relief to damage resulting from a
disaster declared by the governor.

☐ True

☐ False

35. In order to qualify under 172 and 172.1, a manufactured home must be ____
_____ by a disaster. One way this can be
determined is that the manufactured home be declared a _____
_____ for insurance purposes.

36. Since 1986 there have been three amendments to article XIII A affecting the
transfer of base year values for senior citizens and disabled persons.
Briefly explain:

Proposition 60 _____

Proposition 90 _____

Proposition 110 _____

37. What are the two propositions that sections 63 and 63.1 are the implementing statutes for. Give a brief explanation of each proposition.

Proposition ____:

Proposition ____:

38. Please list the conditions that the Health and Safety Code section 18551 subdivision (a) sets forth as conditions to be followed when a manufactured home is installed on a permanent foundation.

1. _____

2. _____

3. _____

39. _____are governed by the same statutes
and regulations for assessment appeals process as all other property use

types that are subject to local property taxation. Manufactured home owners must file an _____ form with the local board of equalization or assessment appeals board.

40. Special assessments are imposed on all manufactured homes subject to local property tax.

☐ True
☐ False

Chapter 3

41. The valuation and assessment statutes for manufactured homes are contained in sections _____ through _____ and are known as The Manufactured Home Property Tax Law. Manufactured homes are not subject to the provisions of _____ of the California Constitution.

42. Because owners of manufactured homes subject to property taxation on rented or leased land do not own the land on which the manufactured home is located, full cash value, as defined in section 5803 includes an increment of value for the site.

☐ True
☐ False

43. The assessor _____ determine the new base year value for the portion of any manufactured home which has been newly constructed.

44. Under section 5804, how is taxable value of a manufactured home defined.

45. The cost approach is probably the most utilized approach in the appraisal of manufactured homes for property taxation purposes.
- ☐ True
- ☐ False
46. List four (4) sources of cost information for manufactured homes available to county assessors.
1. _____
2. _____
3. _____
4. _____
47. The cost approach for manufactured homes _____ the traditional "cost approach" used for conventional residences.
48. Complete the following statement and give a brief explanation. The cost approach for manufactured homes may be accomplished by the:
1. _____
- _____
- _____
- _____
2. _____
- _____
- _____
- _____
49. In the appraisal of a manufactured home on leased or rented land, it must be remembered it is the manufactured home and its accessories, _____, that is to be appraised. However, an exception is if the land is leased for _____ in which case the land would also be appraised.

50. List six (6) of the reasons that a premium price might be paid for an in-place manufactured home.

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

51. An increment of value attributable to location on rented land is assessable.

☐ True

☐ False

52. The income approach is _____ used in valuing a manufactured home, particularly for property taxation purposes.

53. In the reconciliation step of the appraisal of manufactured homes briefly explain what is done.

The cost estimate _____

The income approach _____

The comparative sales approach _____

54. In the AH 531, the manufactured home classification system uses the Assessor's Standard Classification System, and is designed _____

_____ with the single-family residential quality class system.

The lowest class of manufactured home currently in production is _____.

The most common manufactured home class is _____ and

it represents the average priced manufactured home. All costs provided are values related to a home and equipment in _____

_____ condition.

55. The cost factors in AH 531.35 _____ include sales tax. When using cost factors in the AH 531.35 to determine the value of a used manufactured home _____, a component for sales tax must be added to the computed replacement cost.

56. The cost factors in the Kelley Blue Book, _____
_____ are developed from sales of used manufactured homes sold nationwide. The value determined is considered a _____ that must be converted to a retail value by using the conversion chart provided in the back of the value guide.

57. When using the cost factors in the Kelley Blue Book to determine the value of a used manufactured home _____, _____ a component for sales tax must be added to the computed replacement cost.
58. The cost factors in the N.A.D.A. (National Automobile Dealer Association) guide are developed from sales of used manufactured homes sold nationwide. All costs provided are values related to a home and equipment in _____ condition.
59. The cost factors in the N.A.D.A. guide do not include _____.
When using the cost factors in the N.A.D.A. guide to determine the value of a used manufactured home subject to the VLF, a component for sales tax ____
_____ to the computed replacement cost.
60. The most common transfer affecting manufactured homes is a transfer of 100 percent interest in manufactured home.
☐ True
☐ False
61. Please list the events that Section 5825 defines as "newly constructed" and "new construction" for a manufactured home.
1. _____

2. _____

b. _____

62. The relocation of a manufactured home without a change in ownership, whether in the same county or to another county, is new construction.
- ☐ True
- ☐ False
63. Any new construction of a manufactured home subject to the VLF _____ assessable.
64. Private uses of manufactured homes owned by governmental entities, with the exception of those installed on approved foundation systems, are taxable.
- ☐ True
- ☐ False
65. If a manufactured home, subject to vehicle license and registration fees...is taken by eminent domain, ... and is replaced by a comparable manufactured home subject to local property taxation, the assessor shall determine a base year value for the replacement manufactured home so that the property taxes levied, after adjustment for any applicable exemption, shall be the same amount as the vehicle license and registration fees for the previous manufactured home in the year that the manufactured home was taken, acquired, or adjudged to be inversely condemned.
- ☐ True
- ☐ False
66. Assessors are required to annually appraise particular property types, such as manufactured homes, that may require adjustment for declining values.
- ☐ True
- ☐ False
67. List six (6) factors that may be attributable to site value for manufactured homes located in parks.
1. _____
2. _____

3. _____
4. _____
5. _____
6. _____

68. The assessor must not include any " _____ " value for positive site influence in the assessment of the manufactured home. In a situation where negative site value exists, it is the land, not the _____, that is entitled to a reduction in value.
69. The statutory definition of *manufactured home accessory* includes both _____ and _____ installed items.
70. Manufactured home accessories installed on rented or leased land with a manufactured home first sold prior to January 1, 1977 are presumed to be subject to VLF and not local property tax.
- ☐ True
- ☐ False
71. Like a manufactured home, a _____ may be classified as personal property, or real property if affixed to land on a permanent foundation system that meets the specifications in section 18511 of the Health and Safety Code.
72. It is not possible to convert a commercial coach to a manufactured home and vice versa.
- ☐ True
- ☐ False
73. Fill in the following blanks concerning manufactured homes vs. commercial coaches.
1. A _____ classified as personal property is subject to the VLF.

2. A _____ classified as personal property subject to property tax is assessed pursuant to The Manufactured Home Property Tax Law.
3. A _____ classified as personal property not subject to property tax is subject to the VLF.
4. A _____ or _____ classified as real property is assessed pursuant to article XIII A.
74. Explain what the two supplemental assessments are for when a manufactured home subject to property tax has a change in ownership that occurs on or after January 1 but on or before May 31.
1. _____

2. _____

75. A manufactured home voluntarily transferred from vehicle license fee (VLF) to the local property tax roll is subject to a supplemental assessment.
- ☐ True
- ☐ False
76. The _____ of a manufactured home does not change due to the mere affixation to a permanent foundation.
77. Section 5803 requires that the assessor *may* take into consideration sale prices for manufactured homes listed in recognized value guides.
- ☐ True
- ☐ False

78. In the notification of assessment, there are several items that must be included, please list.

1. _____

2. _____

3. _____

4. _____

5. _____

79. Section 5830 specifies two instances where manufactured homes law provisions are different. Please list.

1. _____

2. _____

80. The Department of Housing and Community Development (HCD) administers numerous housing and community development programs. They include:

1. _____

2. _____
3. _____
4. _____

81. Please list six of the items that are included when HDC sends each assessor a monthly list of transfers, voluntary conversions, and situs changes of manufactured homes.

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

82. HCD also has a web site that can be accessed by assessors and tax collectors at no cost. To conduct a search for information the requestor must have:

1. _____
2. _____
3. _____

Chapter 5

83. A _____ is any manufactured housing community, mobilehome park, or special occupancy park.

84. Four types of property may be found in a park. Please list.

1. _____
2. _____
3. _____
4. _____

85. The _____ oversees the property taxation of parks, the _____

administers property taxation of parks, and the _____
_____ administers the enforcement of
statutes and the regulatory process for park operators.

86. When using the cost approach to value a manufactured home park, the land is valued as if owned in fee, vacant, and available for development to its highest and best use.

☐ True
☐ False

87. The comparative sales approach is based upon the premise of comparing like with like. This is often difficult with parks because wide variations are found in _____;
_____ and the _____, _____ and _____
_____ of improvements.

88. Factors that will assist in establishing comparability between park sales include:

1. _____
2. _____
3. _____
4. _____

89. Generally, parks are income-producing commercial properties, and the income approach will always yield a reliable indicator of value.

☐ True
☐ False

90. Sections 62.1 and 62.2 exclude certain transfers of parks from change in ownership if the park is ultimately purchased by at least 50 percent of the tenants renting the individual spaces of the park.

☐ True
☐ False

91. List three types of transfers that sections 62.1 and 62.2 consider as exclusions to change in ownership with respect to transfer of parks.
1. _____
 2. _____
 3. _____
92. For transfers on or after January 1, 1998, the exclusion from change in ownership is available even if the resident-owned entity fails to _____ attain the required resident participation level of 51 percent.
93. Sections 62.1, subdivision (a) (2), provides an exclusion from change in ownership for the transfer, on or after January 1, 1985, of rental spaces in a park to residents of the rental spaces, provided that:
1. _____

 2. _____

 3. _____

94. For parks transferred between January 1, 1989 and January 1, 1993, the temporary period was _____. In general, for parks transferred after 1993, the temporary period within which the section 62.2 requirements must be complied with is _____.

95. Section 62.1 provides that a park that does not use recorded deeds to transfer ownership interest in the spaces or lots shall file, by February 1 of each year, a report with the county assessor's office containing all of the following information:

1. _____

2. _____

3. _____

4. _____

96. Generally, once a transfer of a park has been excluded from change in ownership pursuant to one of the provisions of section 62.1, subsequent transfers of individual ownership interests are excluded from change in ownership and are not subject to reappraisal.

- ☐ True
- ☐ False

97. "Pro rata portion of the real property" is defined to mean: _____

98. For purposes of determining a new base year value for transfers of shares or other ownership interests representing ownership of individual mobilehome spaces in parks what is the appraisal unit?

99. To qualify for the welfare exemption, a park must be used exclusively for rental housing and related facilities serving lower-income households and must be owned and operated by a _____
_____, _____ or _____
_____, or _____
meeting all the requirements of section 214.
100. Under the welfare exemption, a primary eligibility requirement for exemption from property taxation under section 214, subdivision (g) is that a park must be _____ or _____ to lower-income households.